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**PACIFIC**  **TELESIS**  
Group-Washington

March 18, 1996

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

Mr. William F. Caton  
Acting Chief  
Federal Communications Commission  
Mail Stop 1170  
1919 M Street, N.W., Room 222  
Washington, D.C. 20554

DOCKET FILE COPY ORIGINAL

Dear Mr. Caton:

Re: *MM Docket No. 92-260, Cable Home Wiring.*

On behalf of Pacific Bell and Pacific Telesis Video Services, please find enclosed an original and six copies of their "*Comments of Pacific Bell and Pacific Telesis Video Services.*" in the above proceeding.

Please stamp and return the provided copy to confirm your receipt. Please contact me should you have any questions or require additional information concerning this matter.

Sincerely,

  
Enclosures

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In the Matter of

Cable Home Wiring

MM Docket No. 92-260

**COMMENTS OF PACIFIC BELL AND  
PACIFIC TELESIS VIDEO SERVICES**

**I. INTRODUCTION**

Pacific Bell and Pacific Telesis Video Services ("Pacific") hereby submit comments with regard to the Commission's Further Notice of Proposed Rulemaking.<sup>1</sup> We support allowing building owners to purchase loop-through wiring, but advocate a prohibition on future installation of such wiring. We do not believe non-owner occupants should have the right to purchase their inside wiring, but support rules which give such occupants control over their wiring and hence the right to choose their service provider. Finally, we urge the Commission to eliminate any unfair advantage the incumbent provider may have once a unit becomes vacant.

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<sup>1</sup> In the Matter of Implementation of the Cable Television consumer Protection and Competition Act of 1992: Cable Home Wiring, MM Docket No. 92-260, First Order on Reconsideration and Further Notice of Proposed Rulemaking, FCC 95-503 (rel. Jan. 26, 1996) ("FNPRM").

**II. BUILDING OWNERS SHOULD BE ALLOWED TO PURCHASE LOOP-THROUGH WIRING, BUT FUTURE INSTALLATION OF SUCH WIRING SHOULD BE PROHIBITED**

The Commission first seeks comment with regard to cable loop-through wiring, where a single cable is used to provide service to either a portion of or an entire multiple dwelling unit building (“MDU”).

We support Liberty Cable’s request that the Commission require cable operators to allow a building owner to purchase loop-through wiring where all customers in a building want to switch to a new service provider.<sup>2</sup> Such an approach helps ensure that the incumbent cable operator cannot prohibit a building owner and its occupants from selecting an alternative provider merely because some of the occupants do not own their inside wire. Ultimately, therefore, the approach enhances consumers’ access to alternative sources of video programming, and fosters competition in the provision of video services.

However, we also believe the Commission should prohibit future installations of loop-through wiring configurations<sup>3</sup> on the ground they stifle competition and limit consumer options by requiring that all MDU occupants subscribe to the same video provider. The optimum situation ultimately will be one in which each customer in an MDU can choose the video provider he wants; loop-through configurations make such choice practically impossible.

If the Commission believes -- as it should -- that any new wiring should allow access not only to incumbents but also to alternative providers, then it must find it has authority

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<sup>2</sup> Id., ¶ 40.

<sup>3</sup> Id.

to prohibit future installation of loop-through wiring. Such wiring absolutely precludes use by additional providers, and must be phased out.

### **III. BUILDING OWNERS SHOULD HAVE THE RIGHT TO PURCHASE INSIDE WIRING; NON-OWNER OCCUPANTS SHOULD CONTROL WHICH PROVIDER MAY SERVE THEIR UNITS**

The Commission next seeks input regarding the rights of persons other than the subscriber or the cable operator to cable home wiring.<sup>4</sup> In particular, it asks whether termination of service by a building owner or condominium association constitutes a voluntary termination of service by the customer. We believe that such terminations should be deemed voluntary service terminations, giving the property owner the right to purchase the wiring, so long as the owner cannot dictate the occupants' choice of video providers. Whether condominium associations will have similar rights to those of property owners will depend on the associations' individual rules. If those rules provide that the association occupies the role of premises owner as to wiring, then it should have the same right as a building owner to purchase the wiring.

While we support giving non-owner occupants control over their wiring -- i.e., the power to decide which provider from whom to receive service -- we do not believe such building occupants should be allowed to purchase their inside wiring.<sup>5</sup> This option should be left to building owners, or, in appropriate cases, to condominium associations.

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<sup>4</sup> Id., ¶ 41.

<sup>5</sup> Id.

#### **IV. IF AN END-USER CUSTOMER VACATES HIS PREMISES, ALL PROVIDERS SHOULD HAVE AN EQUAL CHANCE TO SERVE THE NEXT OCCUPANT**

The Commission next seeks comment on the disposition of cable home wiring in the event the customer terminates service, elects not to purchase the wire, and vacates the premises within the time period the operator has to remove the home wiring.<sup>6</sup> We agree with the Commission that whether the customer vacates the premises should have no bearing on when the operator must remove the wiring, so long as the operator has received notice of the termination and has been given the right to remove the wiring within the seven business day period the Commission has prescribed.

However, once a unit is vacant, all service providers should have equal access to the premises, so that the new tenant has a choice of providers; the prior provider should not have an unfair advantage with new tenants.

The Commission also asks whether the building owner should be given the right to purchase the cable home wiring if and only if the customer elects not to purchase the wire.<sup>7</sup> We reiterate that we do not believe a non-owner should be given the opportunity to purchase the wiring in the first instance. In an MDU, the building owner should have the opportunity to own the inside wire, while the customers should have the right to use the wire for whichever providers they choose.

#### **V. CONCLUSION**

We support rules which generally 1) give building owners the right to purchase cable inside wiring, and 2) give non-owner occupants the right to choose their service provider.

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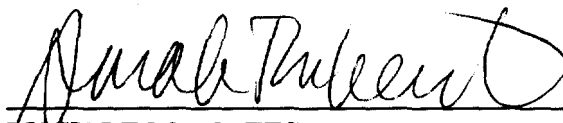
<sup>6</sup> Id., ¶ 42

<sup>7</sup> Id.

These rules will allow new providers into the market and increase consumers' choices of providers. We also urge the Commission to do away with loop-through wiring, which is inherently anti-competitive, and to eliminate any unfair advantage the incumbent provider may have once a unit becomes vacant.

Respectfully submitted,

PACIFIC BELL

A handwritten signature in dark ink, appearing to read "Lucille M. Mates", written over a horizontal line.

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Date: March 18, 1996